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E.O. 12958: N/A TAGS: DR PGOV PREL

SUBJECT: DOMINICAN PROVINCE OF SAMANA PREPARES FOR TOURIST

 ${\tt BOOM}$ 

 $\P1$ . (U) This cable is part of a series of reports on economic and political issues at the provincial level in the Dominican Republic.

SAMANA PREPARES FOR TOURIST BOOM

- (U) Tourism is on the rise throughout the Dominican Republic, and the northeastern province of Samana -- with its sparkling white sand beaches and world-renowned whale-watching -- is well placed to take advantage of this trend. Authorities in the province expect tourism to take off with the January 2008 completion of a new highway from Santo Domingo. The 66-mile highway is being privately constructed and carries guarantees from the Government. It will be operated by the firm Autopistas del Nordeste as a toll road and is expected to cut the travel time from the capital from four hours to two.
- (U) A second infrastructure improvement is the February 2007 opening of the \$80 million Catey International Airport, which is located in the western part of the province and can accommodate wide-body aircraft. The new airport represents a significant upgrade for the region, since previously most tourists arriving in the north of the country had to fly in to Puerto Plata, 100 miles from Samana.
- (U) Overall, a key indicator of growth in the tourism industry is the number of hotel rooms in Samana, which is expected to triple in the next five years (to some 7,500).

DEVELOPMENT HAS ITS COST

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(SBU) The mayor of the province's capital city, also called Samana, is Bruno Carrasco Kery. Young and quick to use

snappy sound bites, Carrasco is a descendent of a group of African-Americans who immigrated to Samana in 1824 and established an English-speaking community. The Mayor told POLOFF that he welcomes the increase in tourism and hopes that the new jobs and increased tax revenue will eventually transform his city. At the same time, he is acutely aware that "development has its cost." He cited an increased demand for prostitution and recreational drugs that he believes is related to the higher number of international visitors.

(SBU) Carrasco views education as the key to preparing his constituents for the tourist boom. He considers his office's school transportation service to be his signature program. The Mayor is actively engaging the central government authorities responsible for higher education. In this area there have been important recent advances. Until fairly recently, there were no universities in the area, so that students from Samana had to live and board in Santiago, 150 miles away from their families. However, two years ago, the Autonomous University for Adults opened in nearby Nagua and, just this month, the Autonomous University of Santo Domingo opened a branch in the same city.

(SBU) Senator Prim Pujols Nolasco, who represents Samana at the national level, is also active in the area of education. His office administers a university scholarship program for constituents. Another key concern for the Senator is the impact of narcotics trafficking on the province, which he believes has not only increased crime, but also "corrupted" his constituents. As an example, Pujols told POLOFF that on several recent occasions multi-kilogram packages of cocaine -- presumably coming from errant air drops -- have been found by low-income fisherman, who then face intense economic

temptation to sell the narcotics instead of turning it over to the authorities.

## RISING CRIME

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(SBU) For Augustina Castillo, the District Attorney of Samana, the overall benefits of a growing tourism industry are a given. Even so, she described the new toll road from Santo Domingo to her region as an "open door for criminals." Castillo believes narcotics trafficking is on the rise, and she is concerned that the reforms of the legal system could leave her city unprepared to combat drug dealers and other criminals. The prosecutor supports the new Criminal Procedures Code, but said that the growing pains of the new system -- particularly the Code's requirement the police turn over the direction of investigations to prosecutors -- are still being felt in Samana.

- - Drafted by Peter Hemsch
- 12. (U) This report and extensive other material can be consulted on our SIPRNET site, http://www.state.sgov.gov/p/wha/santodomingo/ HERTELL